



Competitive Carriers Association
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June 26, 2013

Via ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WT Docket No. 12-69: *Promoting Interoperability in the 700 MHz Commercial Spectrum*
GN Docket No. 12-268: *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*
WT Docket No. 12-269: *Policies Regarding Mobile Spectrum Holdings*
WC Docket No. 10-90: *Connect America Fund*
WT Docket No. 10-208: *Mobility Fund*

Dear Ms. Dortch:

On June 24, 2013, Competitive Carriers Association (CCA) members listed in the attached Exhibit A met with David Goldman, Senior Legal Advisor to Commissioner Rosenworcel, to discuss specific steps the Commission should take and policies the Commission should consider related to the above-referenced dockets.

As the most pressing matter, CCA members encouraged the Commissioner's office to restore interoperability in the Lower 700 MHz Band. Union Wireless (Union) described how the lack of interoperability has forced Union to sideline several millions of dollars of spectrum and network investment until Band Class 12 devices are available for its customers. Once interoperability is restored and devices are available, Union stands ready to immediately provide 4G LTE services to its customers, immediately injecting that sidelined investment into the economy. US Cellular described its practical struggles in attempting to obtain devices without interoperability. Even as a mid-tier carrier with over 5.1 million subscribers, US Cellular cannot get access to a Band Class 12 iPhone. US Cellular stressed that an interoperability order is essential to gaining access to a competitive device portfolio. For instance, US Cellular's ability to expand 700 MHz service beyond the reach of its 850 MHz network in places such as rural West Virginia would be furthered by access to Band Class 12 phones from vendors including Apple and Blackberry. SouthernLINC noted that an industry solution to the interoperability problem has not occurred, mostly because AT&T has no real incentive to reach a consensus. In fact, AT&T has a strong incentive *not* to incorporate inclusive technology into its devices because excluding adjacent Band Class 17 frequencies from AT&T's devices increases consumer switching costs and reduces the likelihood of costly churn from AT&T's network. DISH Network pointed to its recent study proving that Lower 700 MHz E Block authorized power levels do not impact the feasibility of device interoperability.¹ CCA noted that the record is complete and there are no legitimate technical or

¹ *Ex Parte* Letter from Jeffrey H. Blum, Sr. Vice President & Deputy General Counsel, DISH Network to Marlene H. Dortch, Secretary, Federal Communications Commission, WT Docket No. 12-69 (filed May 29, 2013).

engineering reasons not to immediately restore interoperability to the Lower 700 MHz spectrum.² CCA members asked that Commissioner Rosenworcel support an order restoring interoperability to the Lower 700 MHz, for the benefit of competition, investment and job creation, public safety and most importantly, for consumers.

CCA members also spoke with Mr. Goldman about spectrum aggregation. Several carrier members, including SI Wireless and T-Mobile, stated their need for additional spectrum, and in particular spectrum below 1 GHz. CCA members noted the vast shortage of usable spectrum, and in particular spectrum below 1 GHz. CCA members highlighted the excellent propagation characteristics of low-band spectrum which is therefore vital to competitive carriers' ability to expand their network coverage and effectively compete. AT&T and Verizon currently control a combined 84% of the MHz-POPs of low-frequency spectrum.³ CCA reiterated its proposed revisions to the Commission's spectrum screen, including a screen for local spectrum holdings below 1 GHz.⁴ CCA members asked that the Commission consider these revisions to the spectrum screen especially in the context of the upcoming incentive auction.

Additionally, CCA members called on the Commission to use its authority under the Communications Act and the authority reaffirmed by provisions in the Middle Class Tax Relief and Job Creation Act of 2012 (the Spectrum Act) to create a pro-competitive auction framework for the upcoming incentive auction of 600 MHz spectrum. In addition to the spectrum aggregation limits set forth above, several CCA members set out policies such as bidding credits, build-out requirements and use of smaller geographic license areas that would encourage competitive carrier participation in the auction.

Finally, CCA members discussed the Commission's recent universal service fund (USF) reforms. Atlantic Tele-Net stated that the reforms adopted by the Commission in the USF/ICC Transformation Order are not technologically neutral, but rather disadvantage wireless over wireline. Union Wireless noted consumers' preference for wireless technology, which is not reflected in the Commission's recent reform efforts. MTPCS noted that operating expenses are necessary in high cost areas such as rural Texas and Louisiana. MTPCS urged the Commission to ensure sufficient Mobility Fund II support for eligible areas to provide continued service to the public and, where applicable, the transition from 3G to 4G.⁵ CCA members asked that the Commission put the universal service fund back on a technologically neutral path and allocate more funding for mobile wireless broadband deployment, consistent with consumers' expressed preferences.

² See Reply Comments of V-Comm, L.L.C., Prepared on behalf of Cavalier Wireless, Continuum 700, King Street Wireless, MetroPCS Communications, Inc., Vulcan Wireless LLC, WT Docket No. 12-69 (July 13, 2012); *Restoring Interoperability to the Lower 700 MHz Band*, attached to letter from Rebecca Murphy Thompson, General Counsel, CCA to Marlene H. Dortch, Secretary, Federal Communications Commission, WT Docket No. 12-69 (filed Jan. 4, 2013).

³ See *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless, Including Commercial Mobile Services*, WT Docket No. 11-186, Sixteenth Report, 28 FCC Rcd 3700, 3716-17 (rel. Mar. 21, 2013).

⁴ Comments of Competitive Carriers Association, WT Docket No. 12-269 at 9-14, 16-18 (filed Nov. 28, 2012).

⁵ *Ex Parte* Letter from David A. LaFuria and Marc Paul, Counsel to Union Wireless, MTPCS, LLC and Carolina West Wireless, Inc. to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 10-90, 05-337 and WT Docket No. 10-208 (filed June 25, 2013).

This *ex parte* notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission's Rules.

Sincerely,

/s/

Rebecca Murphy Thompson
General Counsel

cc (via email): Mr. David Goldman

Exhibit A

<u>Name</u>	<u>Company</u>
Michael Prior	Atlantic Tele-Network
Doug Minster	Atlantic Tele-Network
Ron Smith	Bluegrass Cellular
Slayton Stewart	Carolina West Wireless
Steven K. Berry	CCA
Rebecca Murphy Thompson	CCA
Tim Donovan	CCA
Jeff Blum	DISH Network
Jonathan Foxman	MTPCS, LLC d/b/a Cellular One
Julia Tanner	MTPCS, LLC d/b/a Cellular One
Terry Addington	SI Wireless LLC d/b/a MobileNation
Michael Rosenthal	SouthernLINC Wireless
Tom Sugrue	T-Mobile
Grant Spellmeyer	U.S. Cellular
Eric Woody	Union Wireless